

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In Re:</b>  <b>W.R. GRACE &amp; CO., et al.,</b>  <b>Debtors.</b>	<b>§</b> <b>§</b> <b>§</b> <b>§</b> <b>§</b> <b>§</b>	<b>Chapter 11</b>  <b>Jointly Administered</b> <b>Case No. 01-01139 (JKF)</b>
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**FEE AUDITOR'S FINAL REPORT REGARDING  
FEE APPLICATION OF ANDERSON KILL & OLICK, P.C.  
FOR THE TWENTY-NINTH INTERIM PERIOD**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Fee Application of Anderson Kill & Olick, P.C., for the Twenty-Ninth Interim Period (the "Application").

**BACKGROUND**

1. Anderson Kill & Olick, P.C. ("AKO"), was retained as special insurance counsel to the official committee of asbestos personal injury claimants. In the Application, AKO seeks approval of fees totaling \$522,325.00 and expenses totaling \$5,879.01 for its services from April 1, 2008 through June 30, 2008 (the "Application Period").

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2008, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, Issued

January 30, 1996 (the "U.S. Trustee Guidelines"), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals. We served an initial report on AKO, and received a response from AKO, portions of which response are quoted herein.

### **DISCUSSION**

3. In our initial report, we noted that AKO was billing its in-house photocopies at \$0.25 per page. Local Rule 2016-2(e)(iii) limits copying charges to \$0.10 per page.<sup>1</sup> Thus, we asked AKO whether it would agree to reduce the cost of these copies to \$0.10 per page in order to comply with the Local Rule. AKO responded as follows:

... Anderson agrees to the following reductions in order to comply with the Local Rule:

April 1-30, 2008:

Originally Billed:	\$85.75
AKO Reduction to:	\$34.30

May 1-31, 2008:

Originally Billed:	\$59.75
AKO Reduction to:	\$23.90

June 1-30, 2008:

Originally Billed:	\$93.25
AKO Reduction to:	\$37.30

We appreciate AKO's response and recommend a reduction of \$143.25 in expenses.

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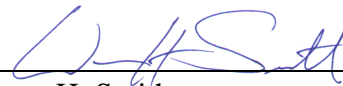
<sup>1</sup>The rule reads as follows: "The motion shall state the requested rate for copying charges (which shall not exceed \$.10 per page), computer-assisted legal research charges (which shall not be more than the actual cost) and outgoing facsimile transmission charges (which shall not exceed \$1.00 per page, with no charge for incoming facsimiles)."

### CONCLUSION

4. Thus, we recommend approval of \$522,325.00 in fees and \$5,735.76 in expenses (\$5,879.01 minus \$143.25) for AKO's services for the Application Period.

Respectfully submitted,

**WARREN H. SMITH & ASSOCIATES, P.C.**

By:   
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**FEE AUDITOR**

### CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 7<sup>th</sup> day of November, 2008.

  
Warren H. Smith

## **SERVICE LIST**

### **Notice Parties**

#### **The Applicant**

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#### **Official Committee of Equity Holders**

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#### **United States Trustee**

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